

Dutch DSM posts Q1 slump

April 29 2015

Dutch pharmaceutical group DSM posted a 70 million euro first quarter net loss Wednesday despite an 11 percent jump in sales, boosted by higher animal nutrition volumes and favourable exchange rates.

Net profit excluding exceptional items slumped to 69 million euros (\$75.8 million), down 24 percent year-on-year, DSM said in a statement.

Sales however jumped by 11 percent to 1.88 billion euros including a windfall from favourable exchange rates, said the group based in the southern Dutch city of Heerlen.

Group earnings before interest, tax, depreciation and amortisation also rose four percent to 248 million euros, beating a 239-million-euro prediction by analysts polled by Bloomberg.

The higher figures were mainly achieved through increased volumes shipped by DSM's [nutrition](#) and materials manufacturing divisions, it said.

DSM's nutrition division overall recorded good volume growth in [animal nutrition](#), but that was partially offset by low Vitamin E prices and a weaker performance by the human nutrition segment, group chief executive Feike Sijbesma said.

DSM warned of a negative price impact of 80 million euros in earnings before interest, tax, depreciation and amortisation should low Vitamin E prices continue.

It pointed to "weak demand in Europe and a slowdown in growth in some emerging markets with economic resilience in the United States," for the rest of 2015.

DSM employs 22,000 people globally and makes products such as nutritional supplements, pharmaceuticals and paints.

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Citation: Dutch DSM posts Q1 slump (2015, April 29) retrieved 3 May 2024 from <https://medicalxpress.com/news/2015-04-dutch-dsm-q1-slump.html>

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